

# INTERNATIONAL Herald Tribune

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الشرق الأوسط

Algeria	10.00	Lebanon	10.00
Argentina	10.00	Luxembourg	10.00
Australia	10.00	Morocco	10.00
Austria	10.00	Netherlands	10.00
Belgium	10.00	Norway	10.00
Bombay	10.00	Portugal	10.00
Brazil	10.00	Spain	10.00
Canada	10.00	Sweden	10.00
China	10.00	Switzerland	10.00
France	10.00	Taiwan	10.00
Germany	10.00	Turkey	10.00
Greece	10.00	U.S. Military	10.00
India	10.00	Yugoslavia	10.00
Iran	10.00		
Italy	10.00		

28,417



ANGING OF GUARD—New French President Valéry Giscard d'Estaing acknowledges cheers during Paris parade. At his right is former Prime Minister Pierre Messmer; at his left, ex-interim President Alain Poher.

## In Simplified Ceremony Giscard Assumes Office; Names Chirac Premier

PARIS, May 27 (UPI)—President Valéry Giscard d'Estaing de France today took up his office in the Elysée Palace and named Jacques Chirac, the outgoing prime minister, as his first minister.

It was the first time a French president had walked to the Elysée Palace.

## Rail Walkout Ends in India

By Bernard Weinraub  
NEW DELHI, May 27 (UPI)—A 20-day-old railroad strike ended tonight in a victory for the government in India.

The government fought a "war" of attrition, the union said. "In a contest of that nature, the union cannot but be against the government."

Giscard d'Estaing, 41, said he would submit a "rather restricted" cabinet list to Mr. Chirac tomorrow. Mr. Chirac is the youngest prime minister since Félix Gaillard took office at the age of 38 in 1957.

Mr. Giscard d'Estaing, 48, said in his investiture speech: "We are entering the field of a new battle. Its pages will be written on a new era of French politics."



Jacques Chirac waves to crowd after being named prime minister of France by President Valéry Giscard d'Estaing.

## Outcome to Be Known Today Kissinger Ends Syrian Visits, Is Still Hopeful on Accord

TEL AVIV, May 27 (UPI)—U.S. Secretary of State Henry Kissinger failed today in final talks with Syrian President Hafez al-Assad to complete agreement on a military disengagement between Israel and Syria but said his mission could still succeed tomorrow.

"We will not know until tomorrow what the final outcome is," Mr. Kissinger said after 16 1/2 hours of talks with Mr. Assad last night and today in Damascus.

## Portuguese Communists Take Pragmatic Line

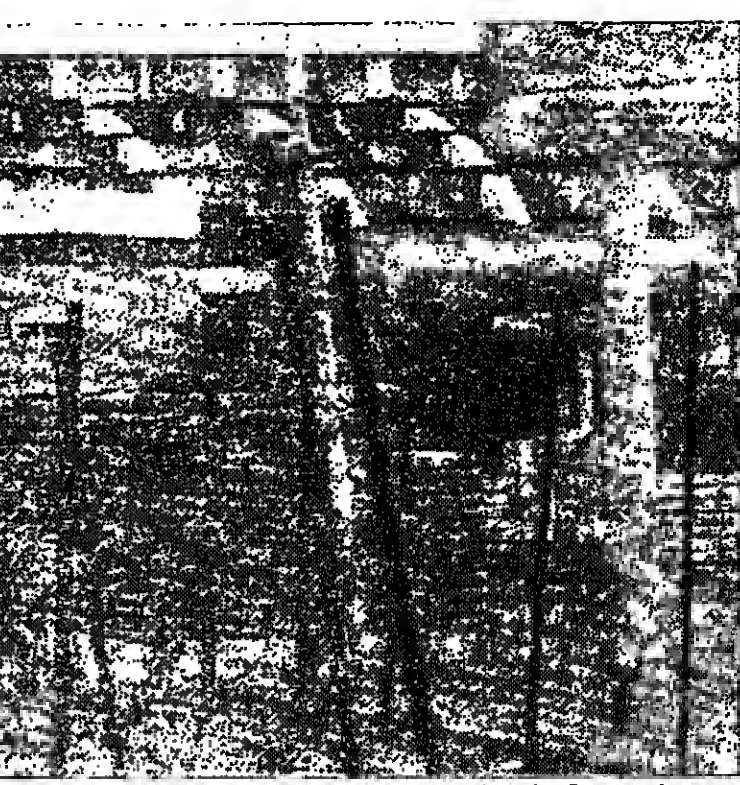
By Paul Hofmann  
LISBON, May 27 (UPI)—When the Communist party came into the open after the military coup a month ago, it had a prison-hardened leader, dedicated party workers, a loyal following among various groups from farm hands to bank employees and a doctrine for all of Portugal's problems.

## Total Blackout Threatened Ulster Oil, Gasoline Stations Occupied by British Troops

By Terry Robards  
BELFAST, May 27 (UPI)—British soldiers armed with machine guns and machine guns occupied gasoline stations and oil storage depots at strategic points in Northern Ireland today as a general strike threatened to halt food supplies, medical services and electrical power.

The province has been blacked-out for at least 16 hours a day since the strike began because Protestant workers have deserted most of the power stations. A total blackout has now been threatened in retaliation for the military occupation of the service stations this morning.

The deployment of troops at dawn this morning was ordered by Merlyn Rees, the British secretary of state for the province, after emergency consultations yesterday with Prime Minister Harold Wilson, who rejected the use of troops only Saturday. Soldiers set up barbed wire barricades at 21 filling stations to assure gasoline supplies for essential services.



ANTI-STRIKE MOVES—British soldiers setting up barbed wire barricades and a sandbagged checkpoint at a commandeered service station in Belfast yesterday in attempts to keep some fuel supplies moving during the strike that is crippling Northern Ireland.

Political maneuvering took place at Stormont Castle, seat of the provincial government, despite unwavering assertion by extremist Protestant groups that the Northern Ireland Executive, a Protestant-Roman Catholic coalition body, would be forced to dissolve.

## Foreign Deals Ruled Out Russia Shifts on Oil Development

By Robert G. Kaiser  
MOSCOW, May 27 (UPI)—The Soviet minister of oil production indicated today that his government has changed its mind about selling large quantities of oil to foreign countries and will develop its petroleum resources by itself.

Several hours after the troops moved in, United Press International reported, three Protestant political leaders announced a policy switch and said: The aim of the strike henceforth is direct rule from Westminster.

## Tito Tells Party Congress That Long Purge Has Ended

BEIGRADE, May 27 (Reuters)—President Tito, opening the 10th Yugoslav Communist party Congress here today, signaled the formal end of a 2 1/2-year party purge in which scores of high officials were expelled and disgraced.

The extremists have won fairly widespread support for their strike among Northern Ireland's Protestants, partly because of a general fear that the province is being taken over by the Republic of Ireland, which is dominated by Catholics.

## Nixon Supports Military Budget in Holiday Talk

KEY BISCAYNE, Fla., May 27 (AP)—Urging members of Congress to be "patriotic first and partisans second," President Nixon today appealed for approval of his \$85.8-billion defense budget as vital for world peace.

Gen. Spínola may also have thought that it was much better to have such a formidable political force in the government rather than outside it.

The Communists are now grappling with one of Portugal's main troubles: the strikes and other labor unrest that have broken out all over the country since the authoritarian government of Premier Marcello Caetano and its dreaded secret police were deposed.

But he added: "No matter how talented our diplomats are, the policies they pursue must be backed by credible strength... and, in the last analysis, this means military strength."



Alvaro Cunhal



## Presidential Candidates' Rightist Pasts

## Prewar Politics Echo in Austrian Election

VIENNA, May 27 (Reuters).—Echoes of political battles that raged before World War II have brought a discordant note into Austria's presidential election campaign.

The two main candidates have

found themselves questioned not on how they would fill the job of head of state between now and 1980, but about their political activities of 40 years ago.

The June 23 election pits Rudolf Kirchschlaeger, 59, now the

foreign minister in Austria's Socialist government, against Alois Lugger, 61, the mayor of Innsbruck and the candidate of the opposition People's party.

What promised to be a placid campaign has been enlivened by controversy over the candidates' roles in the violent prewar years, when Austrian democracy suffered under authoritarian rightist governments, before vanishing altogether when the Nazis absorbed Austria into the Third Reich in 1938.

## Heimwehr Role

The Socialists have drawn attention to the fact that in his youth Mr. Lugger belonged to the Heimwehr—a paramilitary rightist force which received much of the blame for the destruction of parliamentary government here in 1933-34.

Socialist Chancellor Bruno Kreisky, calling Mr. Lugger's Heimwehr membership a political mistake, implied that the People's party candidate was not fully suited to be head of state.

Mr. Lugger replied that his activity in the Heimwehr—a loose organization whose activities varied from one part of Austria to the next—involved nothing more sinister than volunteer border patrols with his father, a police official.

Many Austrians felt that the Socialist accusations were improper in view of the way Mr. Kreisky has often defended members of his own party against charges of Nazi associations.

And the impact of the allegations was quickly diluted when Mr. Kirchschlaeger admitted at a press conference that as a student in the 1930s he had been a member of the Fatherland Front, which replaced political parties in the authoritarian "Christian corporate state" before the Nazi Anschluss.

## Beginner and Veteran

Mr. Kirchschlaeger is conducting his first election campaign. Mr. Lugger, while less of a national figure, is a vigorous and experienced local politician who exploits the advantages of his "father-figure" image.

Although an Austrian president is head of the armed forces and plays a key role if there is a constitutional crisis, his role is largely nonpolitical.

But the election result will be an important test for the Socialists, who have suffered a drop in support as a result of inflation.

A defeat would end the Socialist's unbroken series of presidential election victories since World War II, and would sharply dent the prestige of Chancellor Kreisky, the prime mover of the foreign minister's candidacy.

A Kirchschlaeger victory could set the Socialists on an upward course toward the next parliamentary elections, which must be held by October of next year.

## Giscard Assumes Presidency, Appoints Chirac as Premier

(Continued from Page 1)

dent replied, with a smile, and walked on.

Outgoing Prime Minister Pierre Messmer, interim President Alain Poher and National Assembly President Edgar Faure walked beside Mr. Giscard d'Estaing up the Champs-Élysées. Immediately afterward, Mr. Giscard d'Estaing entertained all three at his first official luncheon in the Elysée Palace, and then accepted Mr. Messmer's formal resignation.

This evening, he spoke at the Paris city hall and paid a visit to Mr. Pompidou's widow. Mr. Pompidou died in April after a

long illness, which was believed to have been multiple myeloma, a cancer of the bone marrow.

The new President announced later that he would address the French people in a nationwide television speech Wednesday night to explain his government appointments and outline his policies.

Mr. Chirac, who studied briefly at Harvard University, has been destined for political leadership since Mr. Pompidou took him under his wing, first making him secretary of state at the Ministries of Finance and Social Affairs, then promoting him to agriculture minister and interior minister. Mr. Pompidou had called him "my bulldozer."

The outspoken Gaullist minister—some opponents think him brash—found himself at the center of an angry European controversy last year when he cast doubt on West Germany's loyalty to the Common Market.

The was also an important figure in the recent presidential election campaign, working behind the scenes to block the candidacy of former Prime Minister Chaban-Delmas and to strengthen Mr. Giscard d'Estaing's position.

His appointment can thus be seen not only as a bow to youth by the new President, but as a reward for his election work, even though it turned some steadfast Gaullists against him.

## Coalition Action Delayed in Israel

TEL AVIV, May 27 (Reuters).—Israel's Labor party leaders today postponed a meeting to approve Premier-designate Yitzhak Rabin's proposed cabinet until tomorrow.

By delaying their meeting, Labor party leaders will be leaving their decision on the cabinet list until minutes before Mr. Rabin is due to present it to President Ephraim Katsir.

Finance Minister Pinhas Sapir, who heads the dominant Mafpat faction, is persisting in his decision to continue in his post, while Foreign Minister Abba Eban is refusing to accept the Information Ministry offered him unless he is also named deputy premier.

## Tito Asserts Purge Is Over

(Continued from Page 1)

Croatia after nationalist disturbances in 1971. A year later, the leadership of the Serbian Republic was dismissed on charges of "liberalism." Official figures show there were 50,770 expulsions from the party between 1969 and 1973.

Marshal Tito occasionally paused for a sip of water as he spoke from a prepared text, but he omitted reading about two-thirds of it.

## Assails Israel, Italy

There was applause when he criticized Israel and Italy.

He said there was still no guarantee that Middle East developments would move toward a just and lasting peace. "Apparently, Israel has not yet grasped the fact that aggression and expansion at the expense of adjacent Arab countries cannot form the basis of its security," he declared.

Marshal Tito assailed Italy for "open territorial pretensions" against Yugoslavia in a recently revived dispute over the Trieste border area. He said the border question was nonexistent and "we can no longer negotiate on this matter."

The President was interrupted by loud applause when he declared that Yugoslavia would fight to keep its independence.



DEMOLITION—An Israeli bulldozer levels one of the few standing structures in Kuneitra in the Golan Heights, a village virtually deserted by Syrians who lived there.

## Intensive Exchanges of Fire Reported on Golan Heights

DAMASCUS, May 27 (UPI).—Syrian and Israeli forces exchanged artillery and tank fire on Mount Hermon and several other sectors of the Golan Heights front today, military communications said.

A communiqué broadcast by Damascus radio said:

"Our artillery is directing its fire at enemy tank concentrations, positions, military vehicle concentrations, observation posts and field army commands."

"Our armored units are clashing with enemy tanks and staging points on several sectors of the front, inflicting losses on them."

In Tel Aviv, the military command said that the Syrians had

opened fire with artillery and rockets in the morning and continued shooting sporadically throughout the day. It said the Syrian shelling was directed particularly at Israeli positions around Mount Hermon.

Fire was returned in each case, the command said, but no Israeli casualties were reported.

In a delayed announcement, the command said three Israeli soldiers were killed by Syrian shellfire yesterday.

Their deaths brought to 39 the number of Israeli soldiers killed since the daily fighting started on the northern front March 12. According to military records, 126 have been wounded.

Artillery shelling also was reported from Lebanese territory at Israeli positions on Jebel Ros, a hill on the Lebanese frontier.

A later Syrian communiqué said: "Units of our armored forces engaged enemy tanks and supporting positions along several sectors of the front."

The communiqué said Syrian forces inflicted casualties on Israeli forces and destroyed equipment including two tanks, five vehicles, an anti-tank rocket launcher, and two heavy machine gun positions.

The Syrians reported direct hits on a tank concentration area, two vehicle parks, an engineering equipment area, a field headquarters and a number of other positions.

## Peace Hopes Are Still Held By Kissinger

(Continued from Page 1)

tions between the American and Syrian people have always been good. As a result of the very intensive and very constructive discussions that have taken place in the last few weeks, the relations between the governments of Syria and the United States have greatly improved."

Robert Anderson, the U.S. State Department's permanent spokesman, made the announcement that Mr. Kissinger will be heading home tomorrow.

"He has no plan to return to Damascus," Mr. Anderson said. The final rounds of talks with Mr. Assad were marked by an official Syrian news agency statement accusing Mr. Kissinger of injecting the issue of the Palestinian guerrillas into their deliberations.

Mr. Kissinger was advised to address his concern to the guerrilla leadership. The statement said the guerrilla issue was only one of several "difficult" points remaining.

Others were known to include Syria's bid to narrow the buffer zone between the disengaged armies and to link the Israeli withdrawal to a promise of a further pullback later.

Mr. Kissinger had gained tentative acceptance earlier from Syria and Israel of compromise approaches to two other key disputes: where to draw the disengagement line and how to thin out Syrian and Israeli forces and armor on opposite sides of the buffer zone.

The Syrian news agency may have raised the guerrilla issue to assure the Palestinians, with whom Syria has strong emotional ties, that their cause was not being overlooked.

## Portuguese, Rebels Set 4th Meeting

## Guinea Talks Run Into Problems

LONDON, May 27 (UPI).—Portuguese Foreign Minister Mario Soares, who is here to negotiate a cease-fire with guerrilla insurgents in Portuguese Guinea, met their representatives for the third time today but he said they failed to reach agreement. They will hold a fourth meeting tomorrow morning.

Mr. Soares said he was "satisfied" with the talks so far.

Maj. Pedro Pires, leader of the insurgent delegation, refused comment but confirmed that another meeting was planned tomorrow.

Portuguese sources said the talks have proved to be tougher than expected.

They said that, instead of agreeing simply to negotiate a cease-fire in the 13-year-old war, guerrilla leaders insisted on adding political conditions. Among them, they said, were:

• Recognition by Portugal of a state of Guinea-Bissau, as the insurgents call the territory. The insurgents were said to have stressed that more than 60 countries already have recognized it.

• Inclusion of the Cape Verde Islands, 300 miles off the West African coast, in a new independent Guinea-Bissau. The Portuguese opposed this, arguing that there has been no military activity in the islands.

• Portuguese acceptance of the right to independence of Angola and Mozambique, the two other Portuguese territories in Africa.

Diplomatic sources said the insurgents objected to a statement by Mr. Soares on his arrival that there would be a referendum on the independence issue in Portuguese Guinea.

They said this already had been done by the insurgents themselves last year in territory under their control and had shown an overwhelming majority in favor of independence.

Antonio de Almeida Santos, Portuguese minister for Overseas Territories, arrived early today

from Angola and took part in today's talks.

Portuguese sources said he probably will stay to head the Lisbon government delegation if Mr. Soares returns home.

## Angola Banns Rallies

LUANDA, Angola, May 27 (UPI).—Authorities today banned all public demonstrations in an attempt to defuse a potentially explosive racial crisis between

white settlers and African

lowing clashes and riots in capital.

The trouble began when a group held a rally yelling such as "Whites get out—go to Europe," shouting support for rebel groups and stoning police said.

Settlers staged a counter-rally as Mr. Santos drove to the port to leave for London. Whites yelled and shook fists at the minister.

## Portuguese Communists Try Pragmatism in New Regime

(Continued from Page 1)

an end to the colonial war, but has not come out for immediate independence for the African territories, as do the ultraleftist groups here.

While Mr. Cunhal served time

in jail or was living in exile in Paris, Prague and Moscow, he always managed to stay in touch with a small but active Communist apparatus of perhaps fewer than 1,000 persons.

One of his top lieutenants, Antonio Pacheco, is now labor minister. He succeeded in building the Workers' Union into a Communist-dominated organization under the noses of the secret police.

By similar conspiratorial odds, the Communist party gained much influence during clandestine era among the population in southern Portugal and among students.

Infiltration Reported

The party today says the years it had also been infiltrated by the armed forces. However, Communists appear to have among the junior officers banded together in the move that engineered last month's

Gen. Spínola, in his book, "The Future," wrote no Portuguese could tolerate country's becoming "a shadow in the side of the West. The officers' movement has it plain that it wants to build a free Western-type state in Portugal."

Today, the white-haired Cunhal, who is 60 years old, insisting that the Communist must closely cooperate with armed forces.

"For us, it is a question of death," he warns.

## Visiting Syria's 'Other POW's'

By Marilyn Berger

DAMASCUS (UPI).—The first thing that strikes you are the hundreds of beautiful children pressing in on you, wide-eyed with curiosity, wanting to touch this strange foreigner in their midst.

The next impression is of the women. The young ones, smooth-skinned and shy, many of them also quite beautiful in their colorful scarves, most, it seems, carrying babies in their arms. The elderly, all in black with blue tattoos on their chins, come toward you gesturing with their hands. They are asking you to get their hand back for them, the interpreter said.

For these, we are told, are the people of one of the refugee camps scattered around Damascus—the displaced persons of the October, 1973, war in the Golan Heights, whose return to some of the richest farmland in Syria may depend on the outcome of the negotiations being conducted by Secretary of State Henry Kissinger.

They were the victims, and have become the pawns, of the Arab-Israeli struggle.

This particular camp of 20 tents on a dusty clearing is set near the more permanent cinderblock houses of regular residents of Damascus. The tents that make up the homes of the refugees are furnished with little but mattresses, and usually not enough for one person.

More Permanent

Refugees from the 1967 war, at a camp called Douma, about 10 miles outside this city, live in more permanent shelters in a settlement equipped with electricity, telephones and even mailboxes.

All families are on a dole from the government. The men—and there are many fewer of them than women—do not

work. It was explained, because they cannot adjust themselves to the factories of the cities after a lifetime on the farm. Besides, there is already enough Syrian unemployment.

Charged with the responsibility for all the refugees from the province of Kuneitra is the provincial governor, Naif Naufel. Mr. Naufel is from Damascus, a branch secretary of the ruling Ba'ath Socialist party. He wears a well-tailored suit and colorful tie and drives visitors around in his black Mercedes.

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Naufel replied: "Can 2 million people live and be aggressive against 120 million people? At the Douma camp, Abulab Matouk, a refugee seven years, was brought in to meet visiting journalists. speech-like tones, he recalled his life in upper Gali where he said he grew to crops a year of bananas, all kinds of fruit on irrigated land."

He has not worked since left in 1967 with "unbelievable memories" of what he, when the Israelis moved in

Well-Dressed Children

Their children are on the hundreds we saw run better-skinner in the dust, dressed—much better than almost any Egyptian child the center of Cairo—and parently well fed. The Syrian government, Mr. Naufel spends about \$10 million year on the displaced persons.

"Some of them," Mr. Naufel warned in advance, "may then temper while talking journalists because of the difficult conditions in which I live... but, remember, it is understandable. One day lives peacefully in the land his forefathers, with his life around him. The next day is a displaced person... try to tell them to behave."

Motorcycle sirens across as the fleet of cars drove in the first camp—two with young journalists, the rest security men.

The children came running up, wanting to be close to strangers who had come to them.

The women smiled, the men around answered guest through interpreters.

Each child wanted the visitor to see his own tent. They wanted to get their faces in the photograph. Some doted said "good-bye" in but and seemed sad as we left. Nobody lost his temper.

They were the victims, and have become the pawns, of the Arab-Israeli struggle.

Damascus, he answered questions rapidly.

The American people do not understand the situation here, he said. The 66 Israeli prisoners of war have received enormous attention in the "mass media," but the 170,000 refugees from the Golan Heights also are prisoners of war, he said. (U.S. estimates put this figure at 115,000.)

Israel as a State

For a half hour, driving from one camp to another, Mr. Naufel could not bring himself to suggest that he is prepared to accept the continued existence of Israel as a state, and UN Resolution 242 which assures that country's right to live within secure and recognized boundaries.

"Can there be secure borders anywhere in the world?" he asked.

Should Israel be permitted to exist?

The answer to your question is another question," Mr.



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## Robert Byrd Sees Senate Shift Nixon's 'Defiance' Said to Add Grounds for Impeachment

By Bob Kuttner

WASHINGTON, May 27 (UPI)—Senate Democratic deputy Robert Byrd of West Virginia said yesterday that President Nixon's "defiance" of the Watergate prosecutor and House Judiciary Committee was the likelihood that he is removed from office by the Senate.

Byrd, who told reporters that he doubted that the Senate would vote to convict the President, said he could not estimate now "I think the on has probably hardened" on a television interview.

He cited the convictions of former Nixon aides the grand jury's report to the Watergate prosecutor and the House Judiciary Committee, saying that the President's lawyer have been exhibiting the way down the line.

Byrd declared that the Senate's refusal to provide evidence by defendants in the break-in case could force the President to drop the case, "would amount to a form of clemency if the President were to persist."

He added, "could be interpreted as obstructing justice, which is an impeachable offense."

Byrd also accused Mr. Nixon of violating his pledge not to interfere with special prosecutor Jaworski without first consulting congressional leaders, made during the nation's hearings of Attorney General William French Smith and as a formal Justice Department action.

## IP Probers Get New Data on Nixon

WASHINGTON, May 27 (AP)—Republicans on the House Intelligence Committee say that Nixon's "hush money" strategy of March 21, 1973, only evidence they have that could tend to implicate the President in the Watergate cover-up.

Three, interviewed during Memorial Day weekend, said the discussion between Mr. Nixon and John Dean 3d, then White House legal counsel, is definitive as to whether the President directly ordered a \$100,000 payment to convicted burglar Howard Hughes.

"In all honesty, there is information on that tape that tends to incriminate the President," Rep. Charles Wiggins, D., said.

Rep. David Dennis, R., and Rep. Henry Smith, R., had insisted before the House Intelligence Committee that the President had no knowledge of the hush money payment to convicted burglar Howard Hughes.

Now they say that the President, particularly Mr. Nixon, was directive to Dean to "get the tape" and that it would be a turning point in the investigation. The Judiciary Committee is to resume its work on Wednesday.

In the course of the March 21 conversation, Mr. Nixon said he thought that Dean had no choice but to meet demand for money. The national segment of the Nixon "Would you agree that the prime thing that Dean would better get that?"

"Obviously, he ought to have some signal anyway," Nixon. (Expletive deleted by tape transcript issued by White House) get it. In that—who is going to him? Colson? He is the one supposed to know.

"Well, [White House] Colson doesn't have any thought."

Committee members say the full Nixon quote was: "Christ, get it." Others that the phrasing was: "Christ, get it."

Jerome Waldie, D-Calif., said it proved that Mr. Nixon had committed an obstruction of justice.

A grand jury has indicted Nixon for obstructing justice following the Nixon-tape series of telephone calls to Nixon aides led by White House dispatch to Hunt the next day as if for his silence about the tape.

Representatives Wiggins and Smith said that Mr. Nixon's comment could be read as damaging light—that the President's order to get the signal—but necessarily the money—to

## Limits Leases N.A. May 27 (UPI)—The rent has ordered that leases to foreigners be to 25 years, renewable after 25, it was announce- y.

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**TAILGATERS**—A pair of feline roadsters trail behind their owner in Central Park, New York City, during a 24-hour marathon by thousands of cyclists.

## To Soviet Union, Developing Nations Ex-Im Bank Faces Curbs on Loans

By Edwin L. Dale Jr.

WASHINGTON, May 27 (UPI)—The burgeoning business of the Export-Import Bank with the Soviet Union has suddenly come to a halt as a result of uncertainty about what legislation Congress will pass affecting the bank.

In addition, for the first time in its history, the bank—because of a lack of lending authority—faces the prospect of having to turn down export credits it considers sound.

Almost \$500 million worth of Ex-Im Bank loans to the Soviet Union are outstanding, but there is "nothing" pending, a bank spokesman said following the approval last week of a \$180-million credit for a Soviet fertilizer complex. The bank has no "preliminary commitments" for loans outstanding and no applications for actual loans.

Although there is still some interest in a loan for equipment needed to natural-gas exploration in the Yakutsk region of Siberia, the project "is a long way off" and may, in fact, never materialize, the spokesman said.

Congress is considering legislation to give a four-year extension to the bank's life, which otherwise would expire June 30, and to increase its overall lending authority by 50 percent to \$30 billion. Under consideration are amendments that could curtail lending to the Soviet Union or, at least, give Congress some kind of veto power over these loans. In addition, an amendment to the pending trade bill would cut off credits altogether unless Soviet emigration restrictions were relaxed.

Apart from the unknown shape of the legislation, another potential problem may arise with the Soviet Union, Henry Kearns, the former president of the bank, indicated last year that the bank could not go much above \$500 million in its "exposure" in that country without more information on such things as the Soviet Union's monetary reserves and outstanding debts.

The big loan last week brought the total to just under \$500 million. But there apparently has been no progress in U.S. government efforts to get more information—information that the Soviet Union has always regarded as private and secret.

On the broader question of the bank's lending, William Casey, the bank's president, disclosed in a speech to the Aerospace Industries Association last week that the annual "ceiling" on total loans in an appropriations bill set by Congress—a different limitation from the overall ceiling established in the bank's basic legislation—was now beginning to pinch.

51-Billion Squeeze

"For the first time," Mr. Casey said, "Ex-Im Bank has applications for more loans, which have been analyzed and recommended by its staff, than it is authorized to make"—about \$4.8 billion, against a loan limit of \$3.8 billion. "That means that \$1 billion in good export loans will have to be turned down or carried over against next year's authorization," Mr. Casey said.

The bank might have to turn down one out of every three or four loans unless the annual authorization is increased again, he said.

Another problem in expanding business, he said, is the growing problem of credit-worthiness in developing countries, which "will be severely impacted by the rise of oil prices." It seems likely, Mr. Casey said, "that these external circumstances will require us to reject more loans or scale down the degree of our participation."

Settlement Averts U.S. Airline Strike

NEW YORK, May 27 (AP)—A strike by 17,000 American Airlines employees has been averted by a last-minute tentative agreement on new labor contracts.

The settlement was reached last night, a few hours before a midnight deadline. The deadline marked the expiration of a federally mandated 30-day cooling-off period. Details of the settlement were withheld pending a ratification vote by union members.

Wayne Morse

## Despite Defense Attorney's Claim Prober Doubts Plot in Dr. King's Murder

MEMPHIS, Tenn., May 27 (AP)—The FBI agent who directed the investigation into the murder of the Rev. Dr. Martin Luther King Jr. in 1968 says the facts of the case don't lend themselves to "grandiose theories" of conspiracy.

"It was a relatively simple thing," Robert Jensen said in an interview. "A man was killed. A man was killed. In many ways, it was like any other case, but the stature of King gave it a lot more publicity than the usual case."

Robert Livingston, attorney for James Earl Ray, said Friday that he has been in periodic contact since March with a representative of the "men who actually carried out the slaying of Dr. King." Ray, the only person charged in the case, pleaded guilty to murdering King and is now serving a 99-year prison sentence.

"If he [Mr. Livingston] has something more powerful to him," said Mr. Jensen, who now is head of security for an international motel firm. He said he had not read Mr. Livingston's claims because there was "no particular reason for me to read them."

"The facts that were developed were made public," Mr. Jensen said. "Many people don't want to accept what the facts are because in many instances they don't lend themselves to grandiose theories. But we had to go with what facts we had. Theories and suppositions don't hold up in court."

Alleging a conspiracy in the shooting of Dr. King in Memphis, Mr. Livingston said the intermediary he talked to is seeking immunity from prosecution for the slaying conspirators. He said they want to testify "in revenge" against "four Southern gentlemen" who allegedly hired them, not Ray, to kill King.

According to Mr. Livingston, eight men were involved in King's death, with Ray the "patsy." He said Ray was "just a gullible-type sort of fellow, easily influenced and led around. He had never been a high-powered criminal all his life, just penny ante stuff."

Mr. Jensen described the investigation as a "good case, well worked, well handled. I'm satisfied with the results."

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It is probably true, he said, that King's slaying was one of the most thoroughly investigated murders in criminal history.

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## Nixon Abandons Commitment To Income-Maintenance Plan

By Paul Delaney

WASHINGTON, May 27 (UPI)—The Nixon administration has abandoned its commitment to income-maintenance aid for the poor as a substitute for the present welfare system.

Officials at the Department of Health, Education and Welfare are working on alternative plans, including retaining the present system that President Nixon and others in his administration have referred to as "that welfare mess" and have vowed to scrap.

Casper Weinberger, the secretary of health, education and welfare said last week that the administration had never been totally committed to an income-maintenance plan, which would provide cash instead of goods and services such as food and clothing to the poor.

Nevertheless, it marked the first time there was any hint that the administration was considering a plan other than a direct cash-payment program. It also was the first indication that officials are thinking of keeping the present system.

**Other Programs**

Mr. Weinberger said that HEW planners were looking into three, perhaps four, different kinds of programs "to replace the welfare program."

The secretary denied that the end of the commitment to income maintenance had anything to do with the President's difficulties in the Watergate scandal or impeachment proceedings. Some political sources suggested, however, that the administration would not submit such a proposal for fear of alienating conservatives in Congress whom the President might need in case there are votes on impeachment.

Mr. Weinberger said the only political consideration was gaining enough support to get a plan through Congress.

**Concorde Goes to Rio**

PARIS, May 27 (Reuters)—The Anglo-French supersonic Concorde left Paris today for Rio de Janeiro on the first of a series of trial flights this week between Europe and South America.

## Survey Finds U.S. Favors Ouster of Nixon, 48%-37%

PRINCETON, N.J., May 27 (UPI)—By a margin of 48 percent to 37 percent, the American people believe President Nixon's actions are serious enough to warrant his being removed from the presidency, the Gallup Poll organization said today.

The proportion holding this view when a survey was taken in mid-April, before the President's release of transcripts of White House tapes, was 46 percent to 43 percent in favor of removing Mr. Nixon from office. Those having no opinion dropped from 15 percent to 13 percent.

The results of a similar question—asked in eight surveys before the April survey—showed a steady upward trend in the proportion in favor of compelling Mr. Nixon to leave office. Last June, when the public was first polled in the issue, only 19 percent backed such a course of action.

The current survey also sought to determine opinions regarding impeachment, as well as removal from office. The vote on impeachment is 51 percent in favor, 31 percent opposing, with 18 percent undecided.

"There is little doubt that it was an extensive and in-depth investigation," he said. "It was worldwide, involving the cooperation of Canadian authorities, the Royal Canadian Mounted Police, Scotland Yard and many, many others. We explored every angle and the only thing is that, when the case developed, we could find no evidence of such a thing [a conspiracy]."

Mr. Jensen said that when the FBI had compiled the facts, "a representative of the attorney general's office followed through and rechecked the material."

"The case was analyzed and it will continue to be analyzed," he said. "I don't think history buffs have ever put to rest the story of Lincoln and John Wilkes Booth."

Fifteen years from now people will ask the same questions, but my personal opinion now lies with the public record. I have no personal theories whatsoever that differ with the record of the case."

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## Obituaries

## Stewart Alsop, 60, Columnist, Analyzed U.S., World Affairs

WASHINGTON, May 27 (UPI)—Stewart Alsop, 60, the columnist and political writer, died yesterday at the National Institutes of Health in Bethesda, Md., where he had been undergoing treatment for leukemia.

A prolific political writer, Mr. Alsop was a big, likable man whose beat was Washington and the world.

He began his career as a reporter in 1943, when his brother Joseph, "The other writing Alsop," who was three years his senior, asked him to be his partner in writing a syndicated Washington column for The New York Herald Tribune.

For the next 12 years, their jointly authored column "Masters of Deceit" was carried by as many as 137 newspapers throughout the United States. Gathering information by telephone and personal interviews, they made regular visits to all parts of the globe, guided by the rule that they would never write about a country or its leaders until they had visited them first.

## Rightists Gain In Iceland Vote On City Council

REYKJAVIK, May 27 (Reuters)—The rightist opposition Independence party increased its hold on Reykjavik yesterday by winning 57.8 percent of the votes cast in the municipal elections, giving it nine seats in the 15-member city council.

The Independence party received 43 percent of the vote and won eight seats in elections four years ago.

Party leader Geir Halldorsson said today: "This resounding victory means the end of the leftist regime" in the country.

"The underlying reason [for the party's success]," Mr. Halldorsson said, "is the great dissatisfaction with the leftist government that has ruled the country for three years. Thus, the national issues have been strongly brought into the scene."



Stewart Alsop



Donald Crisp

Striking out on his own in 1954, Stewart Alsop became a contributing editor for national affairs for the Saturday Evening Post. After four years, he became the magazine's Washington editor, until his death in 1968, moving then to Newsweek, where his weekly column filled the last page.

Mr. Alsop told an interviewer in 1971 that he felt that his and his brother's "mind sets" were very much the same, except that "from the start I was dubious about the Vietnam war, where Joe wasn't. But once we made the decision, I, too, felt we could not speak out."

A third Alsop brother, John, a Republican, failed in several tries for the governorship of Connecticut. Their mother, the late Mrs. Corinne Alsop Cole, a niece of President Theodore Roosevelt and a cousin of both President Franklin D. Roosevelt and Mrs. Roosevelt, founded the Connecticut League of Republican Women in 1917.

With the entrance of the United States into World War II, Stewart Alsop volunteered for the Army. Rejected for medical reasons, he went to England in 1942 and became a member of the 60th Regiment, King's Royal Rifle Corps. In 1944, he achieved the rank of captain.

Later that year, he was transferred to the U.S. Army as a paratrooper with the Office of Strategic Services and shortly after D-Day was parachuted into France to join the French underground. The French awarded him the Croix de Guerre with Palm.

With Thomas Braden, another OSS paratrooper, Mr. Alsop wrote "Sub Rosa: The OSS and American Espionage," published in 1946. With his brother Joseph, in 1955, he wrote "We Accuse," and in 1956 "The Reporter's Trade," a plea for governmental candor in dealing with the press.

Last year Mr. Alsop wrote "Stay of Execution, a Sort of Memoir," about his impending death from leukemia.

He wrote at the end of his book: "A dying man needs to die as a sleepy man needs to sleep, and there comes a time when it is wrong, as well as useless, to resist."

LOS ANGELES, May 27 (AP)—Donald Crisp, 93, an Academy Award-winning actor and one of the last surviving movie industry pioneers, died Saturday. Mr. Crisp had suffered a series of strokes in recent years. Mr. Crisp was one of the

movies' finest and busiest character actors. He appeared in more than 400 films in a career spanning about 60 years, winning a supporting Oscar in 1941 for his work in "How Green Was My Valley."

His last film was "Pollyanna," in 1960.

Starting as a stage manager and singer in light opera, he broke into movies in New York after the turn of the century and came to Hollywood when films were in their infancy.

He directed battle scenes and appeared as an actor in D. W. Griffith's silent classic "Birth of a Nation" and later appeared in Griffith's "Broken Blossoms."

Mr. Crisp directed about 100 films during the silent days.

He was born in Abberfeldy, Scotland, the son of a country doctor. He left home at 19 to fight in the Boer War. Then he came to the United States and got his start in show business.

Among his most successful directorial accomplishments were the silent films "Ramona," "The Mark of Zorro," with Douglas Fairbanks, and "Svengali," with John Barrymore.

As an actor he played strong supporting roles in such films as "Wuthering Heights," "Lassie Come Home," "National Velvet" and "The Last Hurrah."

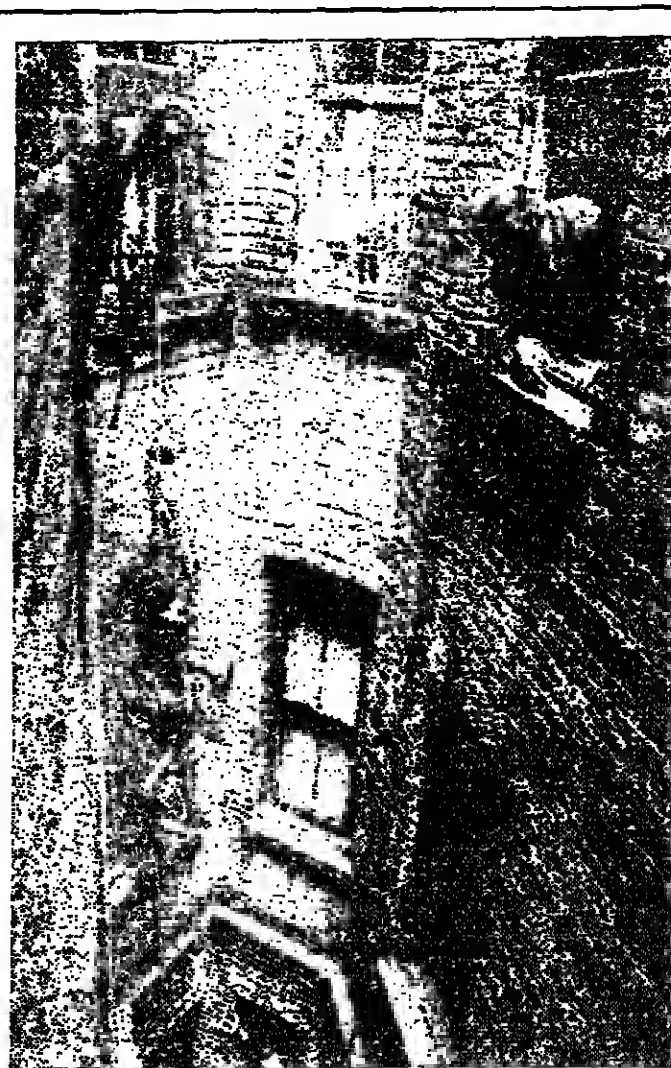
As a sideline, Mr. Crisp dabbled in finance and became a member of the advisory board of the Bank of America. He responded to rumors that he had amassed a small fortune by saying:

"I couldn't say that I am loaded. But I have made some good investments."

## Enrico Medi

ROME, May 27 (Reuters)—Enrico Medi, 68, Italian physicist and member of parliament, died here yesterday.

A former vice-president of Euratom, the Common Market's nuclear organization, Mr. Medi was also president and director of the Italian Geophysics Institute. He held a seat in parliament for the Christian Democratic party and frequently appeared on television as a science expert.



3-STORY FALL—New York policemen assist in lifting a woman up an air shaft after she fell from a third-floor apartment window. A gust of wind blew her money from a table and as she tried to keep it from going out the window, she fell out too. Neighbors called police. She was not hurt, but what happened to the money was not reported.

## NATO Shadows the Russian Fleet

LONDON, May 27 (AP)—The British Navy and NATO forces were shadowing a large Soviet Naval fleet as it held exercises north of Scotland yesterday, the Royal Navy said.

The Soviet fleet of about 15 vessels included submarines, two 19,000-ton cruisers, a 7,500-

ton guided-missile cruiser, a 5,200-ton guided-missile destroyer and three 4,800-ton guided-missile destroyers and support ships, a navy spokesman said.

The destination of the Soviet fleet was unknown. The Soviet ships were first trailed by Norwegian forces and then by the Royal Air Force.

## Opinion Polls Show Spaniards Espouse Untraditional Ideas

MADRID, May 27 (UPI)—Pollsters have begun to tackle such taboos as sex and politics in Spain's closed society, coming up with results that have sometimes stunned their audience.

Some of the things that pollsters say they have found out about Spain in recent surveys:

• In a land that has been called a paradise for free enterprise, a majority would like to see key industries and banks nationalized.

• Spanish women—but not men—refuse to condemn abortion.

• A majority of Spaniards' abstention in 40 years of age say they support leftist ideologies.

• The idea of legalizing divorce has a wide following in a country that calls itself the world's most Catholic nation.

• In the field of sexual permissiveness—from extramarital relations to movie censorship—Spaniards are well ahead of traditional standards, but not as far as the rest of the Western world, the pollsters say.

Opinion of Franco

In the realm of politics, an opinion poll recently published in the liberal magazine Gambio 16 said Spaniards lean rather toward Generalissimo Francisco Franco, the head of state, than away from him—it chooses to express an opinion at all.

The survey, conducted by pollster Leo Burnett's Spanish subsidiary, asked a large sampling of Spaniards whether they would like the present political situation to continue for another 30 years. The result, Gambio 16 reported, was 42.5 to 38 percent favorable, with 31.5 percent undecided.

In another poll, the newspaper Informaciones said nearly two-thirds of Spaniards questioned professed to take "no interest whatsoever" in politics, and only one in 20 was "very interested" in a field in which Spaniards do not have much voice anyway. The question-mark behind such surveys in a one-party state is whether those questioned are not being overly cautious.

Publication of such polls has

just begun and is still restricted to two classes of publication. They are magazines like Gambio 16, which are to be sold with the aid of church-sponsored book reviews, which are still by Spain's Roman Catholic hierarchy.

It was a survey by fathers that produced the finding that about half of thousands of Spaniards questioned by them favored a di-

And it was an official survey which reported the far the strongest political trend in the Spanish clergy: socialism.

## 4 Are Sentenced For Thefts From Papal Quarter

VATICAN CITY, May 27 (UPI)—A Vatican court convicted four former telephone company employees stealing medals and coins the private apartment of Paul VI and sentenced the terms ranging from a 25 lire (\$400) fine, to three in jail. Defense lawyers filed appeals.

The four may benefit from papal amnesty. Pope Paul on nations throughout the 10 grant an amnesty to po-

and other prisoners in celebration of the 1975 "holy year." The Pontiff was expected to follow his own advice should Vatican have any prisoners.

The prosecution said the medals and coins were from the Pope's apartment in 1963 and 1969 while he was his summer residence of Casaleto.

Giancarlo Casale, convicted thief, received a three-year Giovanni Manupelli, also convicted of theft, was sentenced 14 months; Raffaele Sallia given a nine-month suspended sentence for receiving goods. The Giovanni Casale was fined 350,000 lire for stolen goods.

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## Nine Nations Held Eligible

## Who Will Join the Nuclear Club After India?

By Drew Middleton  
NEW YORK, May 27 (UPI)—It takes time to make a nuclear weapon, a U.S. official said, "about 30 months, probably more in these inflationary times, a fairly advanced industrial base, a moderately high technological level and high security."

Three decades after the bombing of Hiroshima and Nagasaki, the ingredients for a nuclear explosion are indeed relatively simple in terms of technology. A nuclear weapon requires two or more blocks of either plutonium-239 or uranium-235—India apparently got its plutonium from the country's nuclear power program—a chemical explosive device, extensive shielding and control equipment that is fairly elaborate but not beyond the capabilities of most industrial countries.

As a result, in nuclear capitals from London to Peking following India's nuclear test May 18, there has been a flurry of intelligence activity seeking to answer the question: Who's next?

Nine possibilities were named on one list: Brazil, Canada, Japan, Australia, West Germany, Israel, Iran, Pakistan and Sweden.

Fourteen other countries have research reactors useful for training scientific personnel: Taiwan, Colombia, Zaire, Yugoslavia, Romania, Poland, Indonesia, South Korea, the Philippines, Portugal, Turkey, Venezuela, Thailand and South Vietnam.

But there remain important political and strategic reasons why some of them may not yet push for their own nuclear arsenal.

Brazil, Japan, Canada and Australia are all linked by treaty with the United States, the West's foremost nuclear power. West Germany is forbidden the development of nuclear arms, although not their employment in war, under the treaty which permitted its entry into the North Atlantic Treaty Organization.

Sweden has a highly developed arms industry and technology. It has completed an extensive system of underground shelters against nuclear attack and the supposition in Western intelligence circles is that Sweden has the capability to "go nuclear" very quickly. However, Swedish policy is aggressively neutral. Any movement toward nuclear status would ring alarm bells in Moscow and drive Stockholm into the unpopulated world of power politics it shuns.

Pakistan, at war with India three times since 1947, is in a strategic dilemma. It has one 15-year-old nuclear power plant and a certain amount of experience in the field. But its industrial and technological bases are rated as far below India's.

Israel's temptation is and has been great. It has the money, the base and the technology, although a nuclear program would strain an already weakened economy. But Israel is surrounded by Arab powers, most of whom are active or passive clients of the Soviet Union. Israel's entry into the nuclear club, many authorities there believe, would be followed by the installation of Soviet nuclear arms in adjacent Arab countries.

## Peru Run for Aeroflot

LIMA, Peru, May 17 (UPI)—The government today granted permission to the Soviet airline Aeroflot to begin regular weekly service between Peru and Russia, with intermediate stops in Cuba and North Africa.

## News Analysis

## Russia Given Few Options in China Dispute

By Stephens Broening  
MOSCOW, May 27 (UPI)—The Soviet-Chinese dispute is building to a crisis point, the Russians find themselves with few options in the dispute, and none of them promising.

This is the view of diplomats owing the unfolding confrontation between the two Communist giants over a border incident on which Moscow has stakes of prestige.

The issue is the Chinese detention of a three-man Soviet helicopter crew. Moscow claims that the crew strayed across the Chinese frontier on March 14 while on a mercy mission. China says the crew was caught spying.

Instead of employing quiet diplomacy to obtain the crew's release, Moscow went public, and, doing so, committed its prestige. The Soviet Foreign Ministry warned the Chinese ambassador that Peking faced the "unpleasant consequences" unless the crew were returned. Pravda said the ministry's statement.

Korean War Precedent: Only one does China seem to have no intention of complying, also Chinese Embassy officials in Moscow have told Western diplomats that the Soviet air would "probably" be tried for espionage. The Chinese cited as precedent the public trial of pilots captured in China during the Korean war. They given long prison sentences.

What appears as further evidence that the Chinese are using a show trial, Western diplomats say there are reports that three Soviet officers are being put on public display in Chinese provincial cities ship up anti-Soviet feeling.

The same kind of program was used before the trial of the Cuban aviators. Western specialists believe that the Soviet Union fears a public trial of the crew. They believe the Chinese would use the trial as a forum to illustrate the nature of the "threat to the north" and what they call Soviet imperialism.

Western diplomats believe there is little the Soviet Union can do to prevent a trial, asking decides on one, or to avert the threat of "unpleasant consequences" without wrecking the West, wrecking the

Kremlin's "peace program" and writing off anticipated economic gains from the capitalist world.

Because of a deliberate policy of reducing their dependence on the U.S.S.R., the Chinese find themselves able to defy mounting Soviet pressure.

The Russians already have the largest concentration of armed forces on the face of the globe massed along the Chinese border. But this has not been able to produce more conciliatory Chinese policy. The Soviet trial balloon in 1969 of a possible "surgical strike" against China's nuclear installations also did not produce any noticeable effect.

Insisting that it could not negotiate seriously under armed threat, Peking refused concessions at the border talks and allowed the Soviet Union to suspend the talks last July.

Although some members of the Soviet armed forces establishment may be urging a military solution, Western diplomats feel that the present Soviet leadership would see it as counterproductive to Moscow's global policy aims.

Trade between the two nations is so small that Soviet economic sanctions would be a minor annoyance. There is no substantial Chinese community in the U.S.S.R. that could be a vulnerable point of action against Chinese diplomats would certainly bring reprisals against Soviet diplomats.

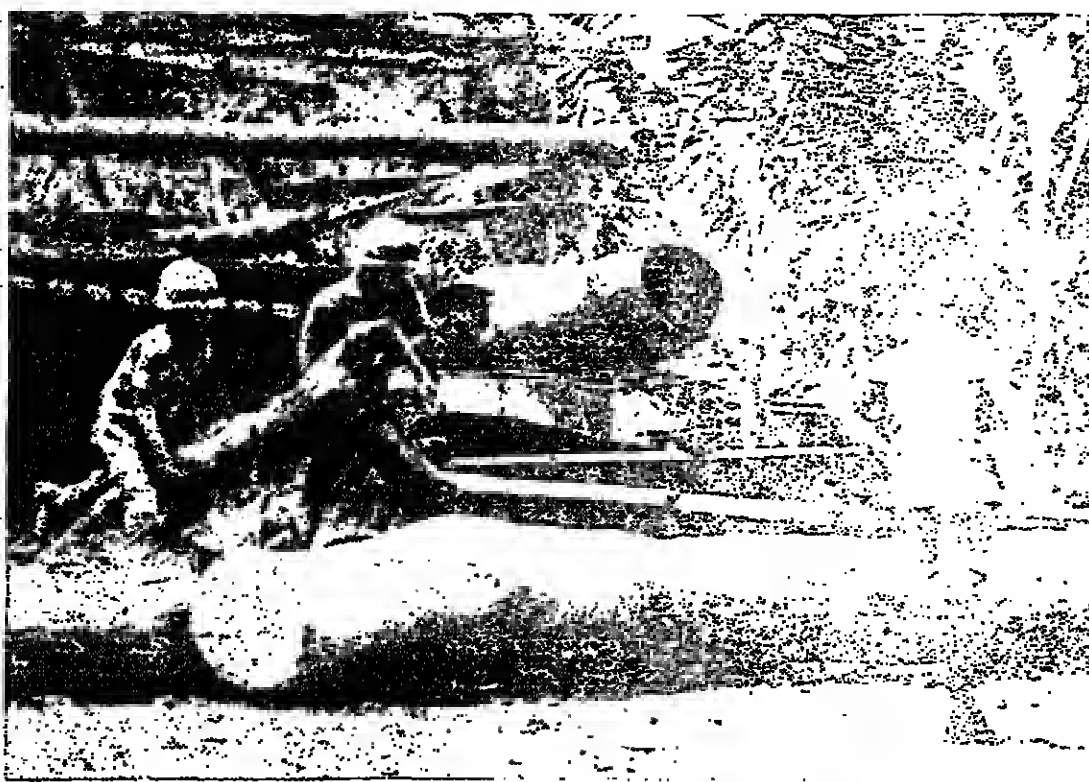
One of the few pressure points

LEGAL NOTICE  
IN THE MAGISTRATE'S COURT  
Tel Aviv-Jaffa, Civil Case 19478/73  
PLAINTIFF: RUSSEKIN & Co., a Building Company, Limited  
Represented by: A. Hamburger & Co., Attorneys, 24 The Orlov Street, Tel Aviv, Israel

DEFENDANT: L. K. K. and others  
SUMMONS

To: Stanley Lloyd Kaufman  
Whereas Plaintiff filed an action against you in the Magistrate's Court of Tel Aviv, Israel, as specified in the Statement of Claim, attached to the Court's file, you are requested to appear in Court on the 14th day of June, 1974, at 10:00 a.m. for the purpose of the Court's decision on the merits of the case.

You are hereby notified that if you fail to appear in Court on the day specified in this summons, judgment will be given against you on the merits of the case, even prior to date set down for hearing and this summons will be cancelled.  
The Magistrate's Court,  
Tel Aviv, Israel.



ON THE RUN—Members of a South Vietnamese tank crew carry a wounded soldier to an ambulance during a mortar barrage by the Viet Cong at perimeter of Ben Cat.

## Saigon Troops in 2d Bid to Retake Town

SAIGON, May 27 (AP)—Government rangers in the strategic corridor north of Saigon were trying for the second straight day today to retake a village overrun by North Vietnamese and Viet Cong troops on May 16.

Military officials said about 135 government soldiers yesterday crossed the Thi Tinh Bridge, about 1 1/2 miles from the village of An Dien, and tried to move toward the village. But they met heavy resistance from North Vietnamese forces firing from bunkers and withdrew to Ben Cat, 25 miles north of Saigon.

Col. Le Trung Hieu, chief spokesman for the command, said 400 rangers advanced across the bridge again today and attacked North Vietnamese and Viet Cong positions less than a mile from An Dien.

Col. Hieu said South Vietnamese bombers and artillery pounded An Dien in support of the advancing rangers.

On the political front, U.S. Ambassador Graham Martin urged

## Close Thieu Aide Reportedly Held As Spy for Reds

SAIGON, May 27 (AP)—One of President Nguyen Van Thieu's most trusted aides has been dismissed and placed under house arrest while authorities investigate his alleged links to a Communist espionage ring, government sources said today.

It was unclear whether the aide, Nguyen Van Ngan, was the subject of a legitimate investigation or the victim of a power struggle within the government. Some reports said that Mr. Ngan, Mr. Thieu's assistant for political affairs, is suspected of aiding the Viet Cong financially and arranging for them to obtain medical supplies.

Others said his dismissal resulted from a power struggle between two political factions, one led by Mr. Ngan and the other by Hoang Duc Nha, 32, the minister of information, who is Mr. Thieu's adopted nephew.

The only official announcement said Mr. Ngan's office was abolished for budgetary reasons. It was known, however, that his office was sealed and was guarded by security personnel.

Sources said Mr. Ngan's bank accounts and other holdings were frozen. He owns several businesses in Saigon.

The National Security Council met today to assess the impact of the case, the sources said.

## Cosmos-656 Launched

MOSCOW, May 27 (Reuters)—The Soviet Union today launched the 656th in its series of Cosmos satellites. No details of its mission were given.

## Now Periled by Disillusionment

## Dedication to Work Reborn At Chilean Mine After Coup

By Joseph Novitski

CHUQUICAMATA, Chile, May 27 (UPI)—The work ethic that the military junta says it wants to install in Chile has had its clearest success here, in the country's largest copper mine. But the success is threatened by growing disillusion with the junta and its methods.

Production in the huge complex of crushers, smelters and refinery outside the huge open pit mine is up 42 percent over last year. And the mine is heading for a record year, "even better than when the Americans ran it," miners say proudly.

The mine managers assert that the production increase is due to the absence of strikes, that used to plague Chuquicamata, since workers were outlawed after the military coup in September. Union leaders say the explanation is much simpler.

"Before the 11th of September, we used to work four hours or six hours and get paid for eight," Carlos Ogalde, shop steward of the miners' union, said. "We work eight hours now, not because we want but because we realize we have a responsibility," he said.

## Mismanagement Helped

The mining camp at Chuquicamata never gave Salvador Allende, the ex-communist Socialist President who died last year, much support. The town of 46,000 people, however, in addition, politically motivated strikes against Mr. Allende helped bring mine production down. But even Allende supporters recognize that mismanagement helped too.

Cevaldo Mendez, a Catholic priest and former professor of philosophy, was named to the workers' council of administration at Chuquicamata by Mr. Allende. Two years later, he resigned from the council and from a splinter party in the Allende government, as a result of what he saw.

"There was an indescribable disorder," he said. "Workers' participation was a total fake from beginning to end."

On the day of the coup, miners at Chuquicamata refused the guns that the Allende-appointed management of the mine wanted to pass out as the first step of workers' resistance. And a month later, the mine unions pledged one day's pay each month for six months as a contribution to the military junta.

However, the initial enthusiasm

## Lisbon Aides to Macao

MACAO, May 27 (UPI)—Two representatives of the Lisbon government are scheduled to arrive in this Portuguese colony Wednesday on a fact-finding mission, an official spokesman said today.

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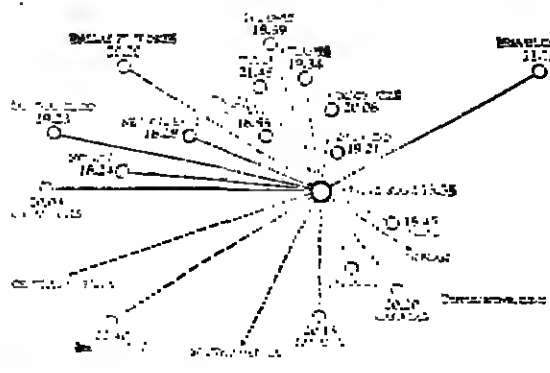
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### INTERTRUST INTERNATIONAL FUND

Société Anonyme

#### Notice of Annual General Meeting of Shareholders, June 7, 1974.

Notice is hereby given that the Annual General Meeting of Shareholders of Intertrust International Fund will be held at 2 Boulevard Royal, Luxembourg, Grand Duchy of Luxembourg, at 10:00 a.m., on Friday, June 7, 1974, for the purposes of:

- Approval of the Balance Sheet of the Company as of December 31, 1973;
- Approval of the Statement of Income and Expenses for the year ended December 31, 1973;
- Discharge of the Board of Directors in office for the year ended December 31, 1973;
- Discharge of the Statutory Auditor in office for the year ended December 31, 1973;
- Others.

Holders of bearer shares or script for bearer shares are entitled to vote or designate proxies to vote at the meeting by producing at the meeting either their shares or script certificates or by depositing their shares or script with any Bank producing an appropriate certificate of deposit to the Corporation at the meeting.

Holders of registered shares are entitled to vote or designate proxies to vote at the meeting if they appear on the register as holders prior to the beginning of the meeting.

There is no quorum requirement for this general meeting and the resolutions to be passed will require the concurrence of a simple majority of the total number of shares present or represented at the meeting.

Copies of the Balance Sheet and Statement of Income and Expenses and Report of the Statutory Auditor are available for inspection at the Company's registered office 2, Boulevard Royal, Luxembourg.

Intertrust International Fund.



## The Land and the People

Since before the turn of the century, many Americans have been brooding about the effect on their society of the change from a land of virtually illimitable space to one marked off by fence posts and "no trespassing" signs. For some time now, the main continental bloc of states—the "Lower 48" as they are known in Alaska—has taken this situation for granted, and the worry is about proper utilization and the need for setting those warnings against trespass around the bits of wilderness that still remain. But areas south of the Rio Grande and north of the 49th parallel are feeling the pinch. The open land of North America, nearly half a millennium after Columbus first saw it, is at last running out.

The signs are obvious enough. Alaska, the last continental state to enter the Union, and the last to offer land for homesteading, has withdrawn its remaining 15 million acres of "open-to-entry" land. The Homestead Act of 1862 was the great symbol of opportunity in a world that still considered ownership of productive land as the chief goal of material effort. The homesteader's 160 acres, that he could win by farming at least 20 of them over a period of three years, did not actually play as important a role in the winning of the West as its proponents hoped, because much Western land was actually granted to railroads, and sold, or taken by squatters and speculators. But the sign was there. Now it has been taken down in its last outpost.

Canada is showing the symptoms of a relative land shortage in another way. On-

tario has imposed heavy taxes on land purchases by nonresidents, and other provinces are considering ways to restrict foreigners seeking to buy Canadian lands. This is, to be sure, part of the new nationalism that is abroad from "sea unto the sea" under the maple-leaf flag, but the form the mood takes there ("A part of the heritage of Canadian birth is access to relatively plentiful land resources," as one official said in explaining the new approach) is indicative.

Mexico, too, where the official policy had been that there was enough land to support a population of 200 million, is now reacting to a population of 58 million (which is more than double the figure of 1950) by a cautious policy of "family planning." In Mexico the land itself is less a consideration than what it produces in the way of food, and what the economy can give in terms of housing, education and health services. But again, Mexico's efforts to curb population fit the North American pattern.

In Asia and much of Africa—and densely populated if highly productive Europe—people are probably looking at the North American land "dilemma" with skepticism. The granary of the world, where one can plunge into a forest a few miles from a metropolitan center, does not seem overutilized—not is it yet. But the old frontiers are gone, and that call Kipling's explorer heeded—"something lost behind the ranges"—will not be heard again in North America. The challenge now is the harder one: to use well and distribute fairly what the explorers found and the homesteaders helped to develop.

## The Poppies of Anatolia

A totally unnecessary confrontation is brewing between the United States and Turkey; unless it can be talked out in terms of reason and good will, serious resentment could erupt to jeopardize Western security interests in the eastern Mediterranean.

The issue is the cultivation of poppies for opium, banned by the Turkish government since 1971 after lengthy discussions with the United States. Under nationalistic political pressures at home, the new Turkish government is giving serious consideration to lifting the ban. Against such a possibility, demands are being raised in Congress to suspend all economic aid to Turkey, a drastic move which could weaken the Turkish commitment to the North Atlantic Treaty Organization.

Both sides have a grievance in this complex misunderstanding. For American authorities the Turkish ban is central to the increasingly successful campaign against heroin addiction. UN and federal government drug enforcement authorities point to a dramatic decrease in the amount of illicit heroin reaching the streets of New York and other eastern seaboard cities; an estimated 80 percent of heroin formerly came from Turkey through the illicit "French connection" network. Though there are other potential sources of raw opium—particularly Southeast Asia—international efforts there have scored notable success in disrupting new illicit channels of supply.

From the Turkish point of view, however, the ban has been a deprivation for some, for others a provocation. Poppies are a traditional and legitimate crop for a small but vital segment of Turkey's farm population

—not for opium but for the edible oil seeds and stalks. The \$35-million American aid program to compensate Turkish farmers for lost income has, by all accounts, failed—little of the money ever reaching the farmers themselves. Turkish anger has been aroused by misleading reports that the United States is encouraging opium production elsewhere, for pharmaceutical needs. Fortunately an official plan to cultivate poppies in the United States for that purpose has been definitely shelved. Some Turkish politicians have turned the ban into an emotional issue of national pride.

The way out of this apparent impasse has not through threats and acts of national defiance by either side. If the American aid program has been ineffective so far, it should be revised and strengthened—not necessarily with more money, but by better implementation, including small-scale industrial projects to convince the Anatolian farmers, and their mentors among the politicians, that they have something to gain by abandoning their poppy crop.

The Turkish government has already shown readiness to remove one irritant to Turkish-American relations: an amnesty measure has reduced the life sentences passed on several young Americans arrested in possession of drugs, though the remaining prison sentences may still seem excessive to many in the United States. With a modicum of good will, and recognition of each other's legitimate concerns, there is no reason why both sides cannot benefit from continuation of the Turkish poppy ban.

THE NEW YORK TIMES.

## Will Others Follow?

Soviet-American agreement on an underground test ban, as urged in the pending Senate Resolution 67 by Sen. Kennedy and 36 co-sponsors and reportedly favored by Moscow, would reinforce anti-proliferation efforts by the superpowers. So, too, would progress toward a second Soviet-American Strategic Arms Limitation Treaty.

But the urgent task, while these efforts proceed, is to discourage further nuclear explosions in India and other countries. The question is whether the Soviet Union will join in this effort. Moscow recently has shown more concern than in the past about the spread of nuclear weapons to the developing countries, but its chief anxiety now, as during the drafting of the Nonproliferation Treaty, concerns West Germany and, to a lesser extent, Japan. Although both are

among the 106 countries that have signed the Nonproliferation Treaty, Japan has not yet obtained parliamentary approval and West Germany has been awaiting ratification by its European partners, Italy particularly, before depositing its own.

If the door now swings wide to nuclear spread through the developing countries, it is inconceivable that advanced countries such as West Germany and Japan can long be persuaded to abstain, even if they go along with the Nonproliferation Treaty and a comprehensive test ban. On this basis, it should be possible to obtain Soviet cooperation in a major international effort to convince New Delhi that it has nothing to gain and everything to lose by persisting in its present nuclear aberration.

THE NEW YORK TIMES.

## International Opinion

### Selling Ambassadorial Posts

Why do they reproach Nixon for selling ambassadorial posts? Aren't there people who would sell themselves for a ministerial post? The abolition of purchasable offices would really make sense only if the venality of men also was abolished. This, alas, is

still a very remote ideal. Hence, why shouldn't Valéry Giscard d'Estaing put up for auction the major offices of the state? This would be as good a way as any other of peacefully and realistically financing the vast welfare program he promised during his campaign.

—From Le Monde (Paris).

## In the International Edition

### Seventy-Five Years Ago

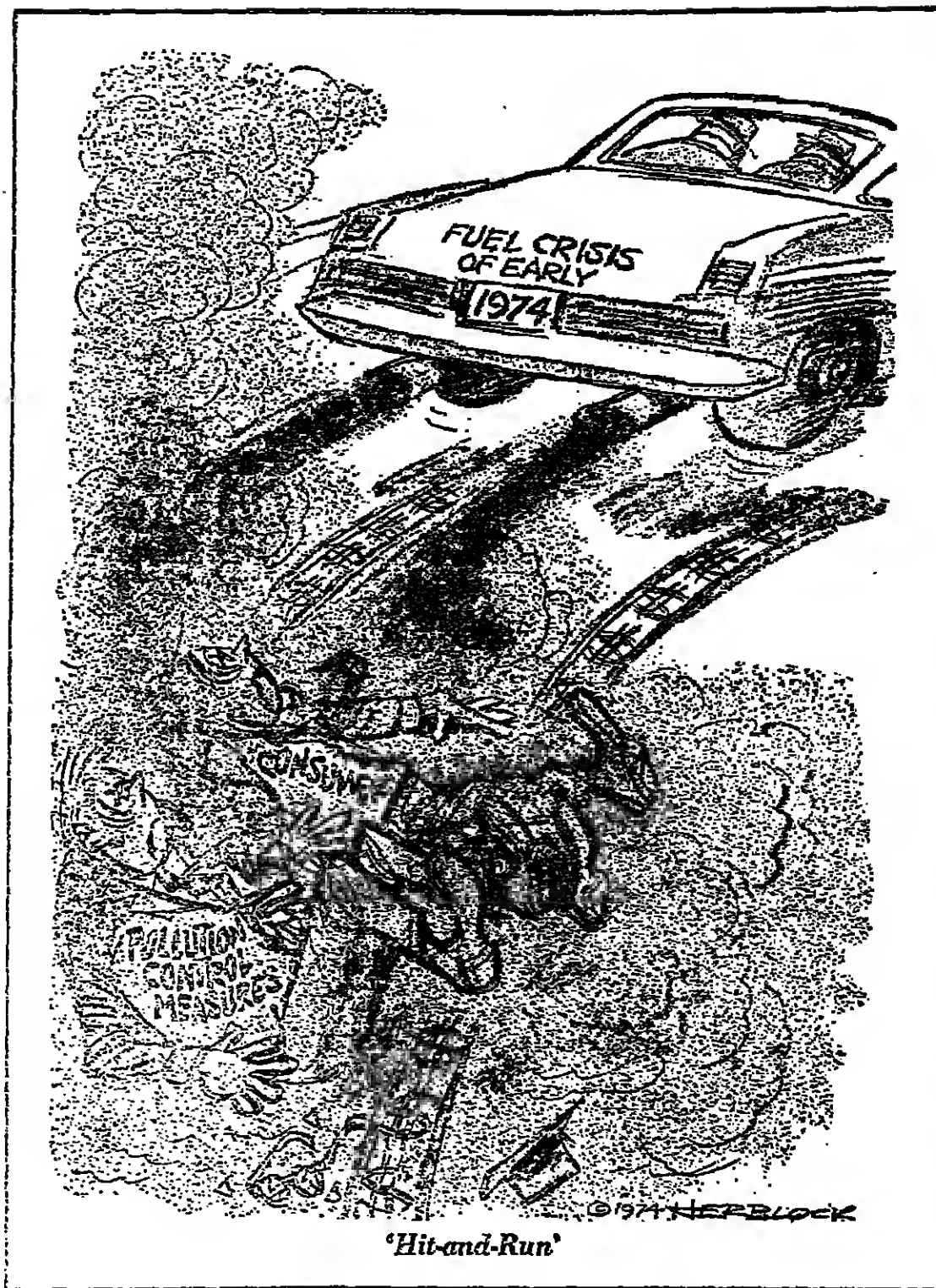
May 23, 1899

LONDON—A telegram from New York states that Rear Adm. Schley, interviewed on the probable outcome of the Hague Conference, said there was no reason why war should be done away with. "The world as it is at present could not do without it. War has its compensations and every liberal law we enjoy today was written with the sword. There will be no further war only when the world is controlled and possessed by Great Britain and the United States."

### Fifty Years Ago

May 23, 1924

PARIS—Laurin Quarter Jones, James Joyce, the author of "Ulysses," is leaving for the hospital tomorrow to undergo another operation on his eyes. He expects to be out in about 10 days. Election due to overwork on his new book caused a fresh operation to be set in... Nathan Asch, author of the great Jewish novel, is now living in the country near Paris and is also hard at work on another novel... Patrick Tynan has just arrived from Dublin. He is to do a portrait of James Joyce.



## Impeachment: Beware the Quagmire

By Anthony Lewis

WASHINGTON—President Nixon's flat statement that he will supply no White House tapes to the House impeachment inquiry, nor, or ever, has renewed talk of an alternative way to deal with the problem of evidence. That is for the House Judiciary Committee or the President to take the issue to the courts.

In a country accustomed to judges settling great issues, the idea of asking the courts to decide this conflict is superficially attractive. It becomes the more tempting as the special prosecutor's subpoena for trial evidence goes to the Supreme Court.

But it is a simplistic notion, and a dangerous one, to analogize the issue of evidence for an impeachment inquiry to the stuff of ordinary lawsuits. To bring this matter to the courts would risk subverting the fundamental nature and purpose of the impeachment process.

### Obstacles

There are formidable technical obstacles to begin with, for one, a doubt that federal courts have or could be given jurisdiction over such a matter. Underneath the "technicalities" on the surface there is a deeper problem of law: judges would be asked to decide something very likely beyond the proper limits of their power—a "political question" in the Supreme Court's phrase.

Over the years the Supreme Court has refused to decide a large number of questions that it labeled "political" for example, after the U.S. Civil War, on whether hostilities had terminated or whether a state had a "republican form of government." In the leading recent case defining "political questions," Baker v. Carr in 1962, the Court said they included issues "committed by the Constitution to another branch of government."

Impeachment has been cited by scholars—long before the current controversy—as an outstanding example of a matter committed by the very text of the Constitution to another branch of the federal government, not the judiciary, for decision. Article I says the House of Representatives "shall have the sole Power of Impeachment," and the Senate "the sole Power to try all Impeachments."

The reason that courts should and do refuse to entertain "political questions" can be indicated by an example in the impeachment context. Suppose that a president should be impeached by the House and convicted by the required two-thirds of the Senate—and then went to court to complain that the evidence was insufficient or the procedure unfair. Would the country have to wait for weeks and months through judicial decisions, uncertain who was president? The question must be resolved, and finally, by the process specified in the Constitution.

It will be argued that taking the issue of evidence to the judges would not bring them all the other aspects of impeachment. But that is highly doubtful.

If the courts were going to pass on the House Judiciary Committee's subpoena, the President's counsel would undoubtedly argue that it asked for material not relevant to an impeachable offense. The courts would then find themselves exploring the famous question of what an im-

peachable offense is—and so on, endlessly.

It would be a legal quagmire. The case could go on for months. If in the end the Supreme Court held that it was not competent to decide the issue, that result might well leave Congress and the country frustrated and dispirited over the whole business.

But the real issue is not time or complexity. It is responsibility.

Many congressmen would probably love to pass this burden on to the courts, to relax and say with all piety that they can do nothing while the issues are before the judiciary. But the whole point of the impeachment process, its place in the U.S. system of constitutional politics, is that it is the duty of Congress. If Congress ducks this responsibility, we shall have no hope at

all of restoring the balance of power that was meant to be our safety.

That is why the question of the House committee's right to the evidence is a fair test of our seriousness—Congress's and the country's. And it is really such an easy question.

Many presidents have said that Congress is entitled to all evidence for an impeachment; none before Richard Nixon ever suggested the contrary. Nor can anyone who opens his eyes have any doubt that what Nixon is doing now is simply continuing the Watergate cover-up. He is flagrantly, provocatively contemptuous of the House. If members of Congress cannot understand that, and deal with it as the constitutional offense it is, they will finally have forfeited the country's respect—and their own.

## Letters

### Bauxite Prices

The New York Times editorial on Jamaica's intention to raise the price of its bauxite (N.Y. Times, May 21) ignores, in my view, vital facts and trends of world economics and draws, consequently, conclusions that entice the reader into a wilderness whose "legis" does not correspond to reality.

The editorial urges "a determined effort to restore some reason and order to international commodity pricing." Yet it disregards the disastrous and worsening terms of trade that are impoverishing most non-industrial countries: They pay rising prices for finished goods they purchase from the rich countries to which they sell their raw materials for decreasing returns. An orderly state of affairs before the oil crisis, no doubt, but hardly a reasonable one—not for Third World exporting countries, at least.

The editorial blames inflation on these countries; yet they merely wish to receive, through indemnization, a constant (rather than shrinking) value for their commodities. It advises them "to seek to reach international commodity agreements to ensure equitable pricing" (an implicit admission that present pricing is inequitable). Yet a decade of UN Conferences on Trade and Development and other bi- and multilateral bargaining has brought them no real progress in this direction. The editorial calls on industrialized importing countries, which have benefited greatly from unjust terms of trade with the Third World, to "smile and protect themselves..." Yet when the exporters, who have suffered increasingly, try to do the same thing, they are castigated as "would-be international monopolists."

In the end, this absurd logic leads you, in a statement worthy of the Mad Hatter, to declare that the rich are being subjected to "exploitation" by the poor.

ARTHUR GILLETTE, Paris.

### Hopis, Navajos

Regarding the article by Martin Waldron (N.Y. Times, May 13) —"Navajos, Hopis Talk of War in Land Dispute"—I thought the piece lacked objectivity because it was slanted toward the Navajo point of view.

In the first place [as far as Dis-

puted Area, Ariz., goes] the Hopis were there first. Their settlement at Oraibi is the oldest still existing in North America, and they predate the Navajos' appearance in the area by at least 300 years.

As part of the policy to exterminate Indians, the Navajos eventually were given reservation land completely surrounding the Hopi settlement on three mesas in northern Arizona. The idea then, as now, was that the two tribes would live against each other for survival in the desert. They have never been on good terms anyway, although the Hopis took the first wandering Navajos in and fed them.

Today the Navajos stand accused as the "Uncle Toms" of North American Indians. The tribe has prospered, set up schools and factories and adapted to government policy. The Hopis, on the other hand, have resisted attempts to make them Christians. They are not interested in the white man's ways, his education, or his corrupt world.

Hopi means "people of peace" and they only want to be left alone to pursue their religious world-view of life. It is said that they are the only tribe of American Indians who never fought a war against the white men. Hopefully, Mr. Waldron will talk to them next time.

JOHN M. JEFFRIES, Amsterdam.

### Schnitzel City

To John Vinocur's article about the dismemberment of Europeans with America, "Everything's Up to Date in Schnitzel City" (N.Y. Times, May 20), I would like to add the observation that Europeans are not alone in this regard. A number of Americans are rather disenchanted with America, too. We are not impressed by the "biggest, tallest and richest," either.

Still, I believe Europeans should keep an eye on us. It could be that we might become so thoroughly disenchanted with our own glitz that we'll start dividing ourselves up into little pieces and give ourselves back to our original colonial owners. Spain, Texas to Mexico, the Louisiana Purchase states back to France, the original colonies to Britain, "Gawd's" Texas back to Russia, with the other

Bernard Levin

From London:

In a showdown between

[Ulster] Catholics

and Protestants, the British

referee having left the ring,

there would be ruthless

fanatics on both sides

making up the rules.

LONDON—Some time ago, I began to suspect that any political policy on which all Britain's major parties were agreed was almost certain to be useless and quite probably dangerous as well. I wonder now whether this might even be true about Northern Ireland. As the province slides closer to civil war, the bipartisan agreement in the House of Commons, which is opposed only by the handful of irreconcilable Protestant diehards from Northern Ireland itself, is smoother and more firmly settled than ever. Unfortunately, it is not preventing Northern Ireland from collapsing into complete chaos. But if all men of good will are agreed on what ought to be done, and the doing of it seems to achieve nothing but disaster, we have to face the possibility that all men of good will may be simultaneously mistaken.

What the men of good will believe is that it is possible to work out a compromise which will unite a sufficiently large proportion of both Ulster communities to achieve an uneasy truce on which a genuine peace may eventually be built. But I believe that this moderate and sensible attitude conceals a crucial fallacy. In a sense, the whole Catholic (or Republican, or left-wing, or IRA—the various definitions and groups overlap substantially though they are not synonymous) viewpoint since the troubles began has been based on that fallacy: It is that sufficient violence, sufficient killing, sufficient hatred, intransigence and refusal to compromise, will eventually achieve the aim of a united Republican Ireland.

### Blood and Money

Now if there were only the British government to deal with, that view might not constitute a fallacy at all. In the end, the president (or fortitude) of the British people would run out: We would not be willing to go on financing, with blood and money alike, the apparently hopeless task of persuading oil and water to mix. Not all that many years ago, when Cyprus was struggling for the right to control its own destiny, a British cabinet minister was as unwise enough to say that Cyprus could "never" be self-governing. Short-

ly afterwards, Cyprus became self-governing, and the minister in question ceased to be a minister. So it would have been not for the fact that the British government is not the only force that has to be reckoned with and is not even the most important force there, either.

The Republicans may break the will of the British government. They will not be able to bring the determination of the Protestants of Ulster. And this is why the fallacy takes its tragic turn. For there is no doubt that the Protestants and the Catholics are both in the game. On the contrary, in these circumstances, the game is not won by the British forces, only because the British Parliament and people that the game is not won by the candle, then victory is theirs. On the contrary, in these circumstances, the game is not won by the British forces, only because the British Parliament and people that the game is not won by the candle, then victory is theirs.

In a showdown between Catholics and Protestants, the British referee having left the ring, there would be ruthless fanatics on both sides making up the rules. The Catholics would not be able to count on their people to be them in the way the Protestants would. In Northern Ireland, the Protestant community far outnumbered and outguns the Catholics. And the truth is that the Catholics will not face it: feeling in the Republic across the border will, for the vast majority of the population, stop short of sympathy. It really does matter to the people of the Republic whether their own incorporates Northern Ireland or not. At least, it does not matter so much that more than a few thousand would be willing to die to achieve that end. And the people, race—the belief of majority in Northern Ireland that they shall not be incorporated into the Irish Republic—must so much to the people who it is that they would indeed willing to die for it.

**Vietnam Debate**  
It is pointless to say that a stalemate is not enough to die for. They think it is. They will not be dissuaded by logic. The rights and wrongs of the Vietnam war will be debated forever. But perhaps who thought from beginning end that the Americans were right to take the stand they are in a better position to in the comparison than those I did not.

In the end, the Americans to withdraw because the American people could not be persuaded that this quarrel lasted so much to them that it should continue to pay and price. The Northern Irish Protestant community believes intensely as do the Israelis, Viet Cong, the Africaners, that whether they are right or wrong, their belief no longer matters. What matters is that they have it. That is why the violence of the Protestant violence that Catholic violence let out of the bottle in Ulster cannot now be put into the bottle. That is why the British give up, Ulster remains Protestant even if by wading to that end and the way the men of tripartism, son of Westminster, tripartite agreement on their reasonable terms, may be tripartite taken.

**India's A-Bomb**  
It is shocking to see that following the bad example of rich nations, poor countries, where many perils of misery and starvation, have started exploding A-bombs on this unfortunate planet already overpopulated and scarred with human misdeeds. This is a bad omen for the whole of mankind that India, the land of Buddha, and countless gurus and sages, where "ahimsa" (nonviolence), the noblest of all doctrines, was conceived, must now arm itself with such deadly weapons as nuclear bombs in the name of peaceful motives and self-defense.

If we cannot win respect from our neighbors through love and justice, we shall never succeed in forcing peace by scaring them with bombs. If further production of A-bombs is not immediately stopped by all nations, the day won't be far when A-bombs will become so common that they will be used by terrorists and madmen in the same way as today they use ordinary bombs. Then no nation, no matter how powerful, will be safe from the danger it is trying to escape.

A. K. SAJJAD, Boulogne-Billancourt, France.







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## After Butter Mountain, EEC Meets Wheat Heap

BRUSSELS, May 27 (Reuters).—After stumbling into the butter mountain and the beef mountain, the Common Market is now facing the most unexpected mound of all—the soft wheat. The community's executive commission has undertaken the cost of private storage for more than half a million of soft wheat in France, Holland and Belgium this year. As a result, the common market has been forced to intervene in the wheat market. The aim is to find off-season deliveries of wheat to EEC intervention authorities. The result of good harvests in Europe and a slump in the market.

Only last year world market prices soared to record heights and conditions triggered by Soviet purchases, floods in U.S. corn belt and a shut-down of the Peruvian fishmeal industry. As a result, the common market imposed export subsidies on most cereals, reversing its traditional policy of subsidizing sales abroad.

But in the last three months world prices have crumbled. EEC export outlets have disappeared. Informal sources said the commission is unwilling to export wheat because it wants to rebuild grain stocks. Last year's run-down. But it also wants to avoid the cost of buying surplus wheat through its regular price support mechanism.

Instead, under a compromise arrangement decided here late last week, it will pay a small sum (about 25 pence per ton) to finance the private stockpiling of 525,000 tons of wheat in France.

## C. Expert Says Gold Price Will Continue to Increase

YORK, May 27 (AP-DJ).—Jeffrey, chairman of the committee that twice a week sets the price of gold in the U.S., expects further increases.

Jeffrey, a director of Roth & Sons Ltd., said in an interview with Barron's financial that "in the absence of a return where gold isn't as profitable as other investments, it's going to continue to rise over the next couple of years."

Jeffrey said that the price of gold has been pushed to set a target price without competition. The recently expressed interest of Nicholas Diederichs, Africa's Finance Minister, based on the eightfold increase in all commodities since 1973, would be a strong argument for a target price of \$200 an ounce.

Inflation accelerating the world, gold has grown in value not only as a hedge against inflation but as an investment. From a point in London's market, Mr. Jeffrey has noted a number of investment and multinational companies are pouring funds into gold. In his words, "gold is into fewer hands," he said.

Jeffrey sees few obstacles to further price rises. "The best bet would be to pay for its oil imports, which must somehow raise to pay for its oil imports, but on the plus side of the gold is considerably longer. In widespread distrust of currencies; lack of a strong national monetary system; and political unrest; oil crises and the prospect of a new oil crisis; the possibility that the price of gold will rise."

## Mideast Oil Output Near Normal Level

NEW YORK, May 27 (AP-DJ).—Oil output in the Middle East during April rose by \$22,000 barrels a day from the previous month to 22.4 million barrels daily, just below last September's pre-cutback level of 22.8 million barrels daily, according to Petroleum Intelligence Weekly, a trade newspaper.

As expected, the biggest jump came in Saudi Arabia where Arabian American Oil Co. (ARAMCO) output rose 521,900 barrels daily to almost 8.4 million barrels a day. This is still below the 8.5 million barrels allowable, but ARAMCO officials say a carry-over of the unused portion can be expected.

Other big increases came in Iraq, up 169,000 barrels a day, and Abu Dhabi, up 127,000 barrels a day. The Iraqi climb reflects correction of pipeline troubles which permitted a rise in output of an estimated 150,000 barrels daily. In Abu Dhabi, another big jump in output brought the total right up against the government's 1.68 million barrels daily allowable.

## U.S. Urged to Welcome International

PARIS, May 27 (Reuters).—French regional development authorities today called on the government to encourage international companies to invest in France and set up their headquarters here.

Authority, presenting a report on foreign investment in France, noted that 400 international companies, mainly in Europe but that only one in France.

The report's author, Francis Compagnon, said that France's foreign investment promotion was too cumbersome and bureaucratic.

That Brussels account more than a third of the international companies in Europe, said that France must control on foreign investment, develop better trans-communications facilities, improve the recruitment of personnel.

## Russia Shifts on Oil Development

(Continued from Page 1)

apparently no longer valid. According to reports circulating in diplomatic circles, even Iraq, Russia's best Arab friend, has told the Soviet Union it must pay current world prices in hard currency for future oil purchases.

Thus, it would make sense for the Soviet Union to shift to a more nationalistic oil policy. In an aside, Mr. Shashin noted the perils of depending on foreign supplies of oil. "What is the United States going to pay for its oil imports this year—\$3 billion?" he asked rhetorically. "We don't want that kind of life."

More Nationalistic

The minister's description of the collapse of the Japanese deal (which would have involved American participation) also reflected a more nationalistic attitude.

For several years, the Japanese have been negotiating a deal in which they would provide perhaps \$3 billion for construction of an oil pipeline from Khatanga in central Siberia to Nakhoda, a port on the Sea of Japan. In return, the Russians originally talked of delivering to Japan 40 million tons of oil a year. They later reduced this figure to 25 million tons, forcing the Japanese to reassess the whole idea.

But today, the Soviet minister acted as though these negotiations had never even occurred. "There were no negotiations," he said at one point. Pressed by journalists, who noted the long series of these talks with Japan, Mr. Shashin shifted his ground slightly, saying no formal agreements had ever been reached with Japan.

He made it clear that the deal is now dead. The Soviet Union has abandoned the pipeline idea, he revealed, and will build a railroad across Far Eastern Siberia instead. Perhaps, he said, when this railroad is completed in the early 1980s, it will be possible to sell substantial quantities of oil to Japan. No major sale would be possible before then, he said.

Levels of Exports

Asked if the decision on the Japanese deal indicated that the Soviet Union was no longer contemplating significant expansion of oil exports, Mr. Shashin replied affirmatively. He said Soviet oil exports now average about 80 million tons a year—a low figure by Western estimates, but it may have covered only crude oil, not refined products. In any case, he said, the level of exports would not grow substantially.

Imports, he said, were running at about five million tons a year—also lower than Western estimates. In the next 5 to 10 years, he said, this figure "will grow a little, but not much."

Mr. Shashin was much vaguer about natural gas, which is outside his authority. Although he said he did not expect foreign participation in the development of gas resources, he was not specific.

Talks With U.S. Firms

The Russians have comparatively more gas than oil, but they do not have the capacity to export even their known reserves. Western—mainly American—companies have been negotiating for two years on the possibility of constructing pipelines and liquefaction plants for the Soviet Union in return for vast amounts of liquefied gas.

These projects have already run into numerous difficulties, including a reluctance in Congress to allow major U.S. investments in the Soviet gas industry at a time when the United States is trying to encourage investment in its own potential energy sources.

Mr. Shashin's comments today suggested that Moscow may also be having second thoughts in light of the dramatically changed world energy picture. Soviet sources earlier indicated that an influential element in the country's leadership was uneasy about selling off "the wealth of future generations" for the sake of short-term benefits.

## Milan Stock Prices Slump In Burst of Heavy Selling

By Piero Valsecchi

MILAN, May 27 (AP-DJ).—With a dramatic spurt in sales, prices on the Milan stock market, Italy's largest and most active, plunged sharply over the past four weeks, causing the most serious crisis of the past five years.

The stock index tumbled 17 percent in the period, almost completely wiping out a 20.5 percent gain during the first four months of the year.

Small investors, seeking a refuge in stocks in the face of mounting inflation, were chiefly hurt in the drop; and while the decline was not entirely unexpected, its extent certainly exceeded the bleakest forecasts.

Brokers forecast a continuation of the decline in the short term as the main problems behind the market uncertainties still weigh heavily and new problems are expected to arise.

One Milan broker said the trade unions are expected to press for new wage increases despite overall national economic weakness. He said they would be forced into this hard line because of spiraling inflation.

"We are not considering unions right or wrong in this attitude," another broker noted. "We must only consider that an increase in labor costs will have negative repercussions on industry and consequently on the stock market."

Weak Lira Cited

A second negative factor was the continuing weakness of the lira, which also severely depressed the bond market.

These problems, however, could have been faced by the market with only minor repercussions in the absence of the severe credit restrictions decided by the government last month, according to brokers' analyses. Higher interest rates, which reduced liquidity, are in fact considered the major negative factor weighing on the market.

## Paris Commodities

	High	Low	Close (bid-asked)	Ch.
Sugar				
Aug	2915		2915-2925	+15
Oct	2790	2760	2767-2770	-12
Nov			2745-2748	
Dec			2690-2692	
Jan	2590	2560	2560-2568	-20
Mar			2520-2522	
May			2500-2502	-24
Aug			2435-2438	-15
Oct			2325-2328	-21
Cocoa				
May	1093		1090-1120	-19
Jul			992-997	-26
Oct			785-770	-20
Mar	755	742	746-750	-5
May			735-745	-4

## ADVERTISEMENT

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Notice to shareholders  
Shareholders are hereby informed that, as a result of approval by a Shareholders' Meeting held on 27th May 1974, of the Liquidators' and the Auditors' Report, the final liquidation payment of U.S. cents per share will be payable until 30th June 1974, upon delivery of the share certificates at the offices of the Company's Paying Agents:

Kredietbank S.A., Luxembourg, 37 Rue Notre-Dame, Luxembourg.  
The Investment Administration Department, Vauvroux First Investors Limited, Grosvenor House, 117/13 Grosvenor, London, EC2N 2LQ.

The books and records of the company are deposited at the offices of Kredietbank S.A., 37 Rue Notre-Dame, Luxembourg, where they will be retained for a period of five years.

Any liquidation dividends not claimed by shareholders by 30th June 1974, will also be deposited with Kredietbank S.A., 37 Rue Notre-Dame, from where they may be claimed upon presentation of share certificates.

The Liquidators:  
G. Kries, Ernest Leclerc.

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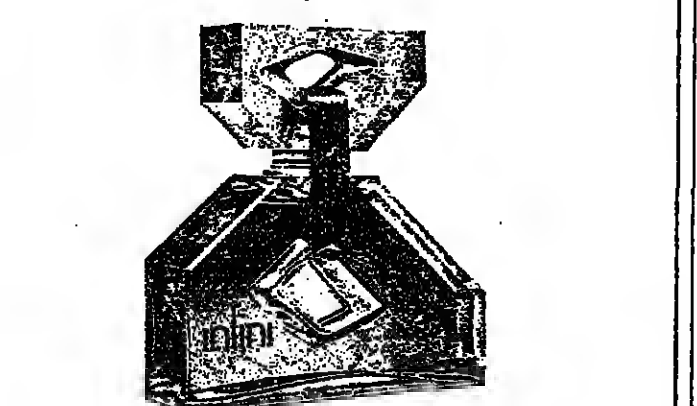
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## Hope Dips for Parley On New Trade System

GENEVA, May 27 (UPI).—The Nixon Round of trade liberalization negotiations may have to be shelved in favor of a smaller, less ambitious package deal, international trade officials said today.

The officials said hope is waning that President Nixon can obtain the necessary approval from Congress in time for negotiations to start this year.

They said Congress is preoccupied with Watergate and congressional elections this November and it is less likely that the President can obtain negotiating authority for large-scale trade liberalization measures.

Talks have already begun between the United States, Japan and the Common Market, with the General Agreement on Tariffs and Trade (GATT) participating, on the possible outlines of a smaller package agreement, the officials said.

If this is completed, the President would have to seek negotiating authority from the new Congress next year, they said.

'Ex-Round' of Talks

One high official said he considers the "Nixon Round" to be the "ex-round" of trade talks.

He said the smaller package on which talks have started would include minor technical measures.

One such would be a "safeguards clause" tightly restricting the ability of countries to impose restrictions on the importation of foreign goods if they are in balance-of-payments difficulties.

Another possible measure would be for other countries to reduce tariffs on American goods if the United States, in return, agrees to a lowering of non-tariff barriers such as quotas and restrictions.

The United States could not agree to tariff reductions as such without congressional approval of President Nixon's trade reform act.

GATT sources said the act is being dealt with because of the section dealing with trade with the Soviet Union rather than with

that part seeking authority to negotiate the "Nixon" or "Tokyo" round, planned as a follow-up to the Kennedy Round.

## Tool Orders Drop in U.S.

NEW YORK, May 27 (NYT).—New orders for machine tools totaled \$288.3 million in April—almost 20 percent higher than in April 1973, but 10 percent less than in March of this year. The backlog of orders continued to grow.

Machine-tool orders, reported monthly by the National Machine Tool Builders Association, are an indicator of the outlook for future industrial activity.

April orders for metal-cutting tools—the larger part of the machine tool business—were substantially higher than a year ago, but orders for metal-forming tools were down. Cutting-tool orders in April were \$246 million, up 54 percent from a year ago, but down 3 percent from March. Forming-tool orders in April were \$42 million, down 48 percent from last year and down 37 percent from March.

Shipments of machine tools in April were \$166.8 million, a drop of 5.7 percent from the March total but 56 percent ahead of April 1973. Shipments of both categories of tools were at faster paces than in April 1973, but trailed the March 1974 levels.

Metal-cutting shipments at \$122.8 million in April were off 4 percent from March but were 62 percent ahead of April 1973. Metal-forming shipments in April totaled \$43 million, or 9.7 percent below March but 40.5 percent ahead of April 1973.

## Markets Closed

All securities and commodities exchanges were closed yesterday in the United States for Memorial Day. Markets were also closed in Britain for a bank holiday.

## UNION MINIERE 1973 ANNUAL REPORT

### THE FACTS

- Increased profit and dividend.
- Active preparation for the opening of the Thierry deposit (Canada).
- Carrying on of the geological explorations in Canada and Australia.
- Extension of these activities to new parts of the world (Spain, Mexico, Greenland, Belgium).
- Branching out of the investment in the Belgian metal industry, particularly in the metalworking sector.
- Signing of a protocol with the authorities of the Republic of Zaïre for the final settlement of the balance of the compensation owed to Union Minière.
- Sale of most of the tonnage of metal purchased during the preceding financial year.

### THE FIGURES

- Net profit for the financial year 1973: BF 1,431.7 million (against BF 860.6 million in 1972).
- Recommended dividend: BF 900 per whole share or BF 90 per tenth of a share (against BF 800 and BF 80 respectively in 1972).
- Balance to be carried forward: BF 77,366,496.
- Total of the credit of the Profit and Loss Account: BF 2,610 million (against BF 1,769 million in 1972).
- On the liabilities side of the Balance Sheet:
  - Transfer to the Assets Replacement Reserve credited in 1973 with B.Fr. 750 million (by debiting the Profit and Loss Account) amounting to B.Fr. 3,760 million (against B.Fr. 3,000 million in 1972).
  - Contingencies reserve: B.Fr. 3,924.9 million.
  - It is proposed to increase this reserve by BF 200 million by means of an appropriation from the profit for the financial year; after this appropriation the contingencies reserve will amount to BF 4,124.9 million.
- On the assets side of the Balance Sheet:
  - In the fixed assets: one can note increased participations amounting to B.Fr. 4,875.3 million (against B.Fr. 4,399.9 million in 1972) on the basis of the quotation ruling at the end of the year, the market value of quoted investments showed a surplus over book value of B.Fr. 2,634 million.
  - In the current assets:
    - Decrease in short-term investments: BF 2,784.3 million (against BF 3,000.6 million in 1972).
    - Based on prices at the end of the financial year, the overall market value of the quoted shares exceeded their book value by BF 154 million.

Extracts from the Statement by  
M. Paul-Emile CORBIAT, Chairman of the Board,  
at the Annual General Meeting of Shareholders,  
May 24, 1974.

- Solid situation of Union Minière: with the increase in value of certain of its assets not expressed in the Balance Sheet, the intrinsic value of the wealth of the company exceeds BF 20,000 million, i.e. almost BF 2,000 per tenth part of a share.
- Final settlement of the compensation due by the Republic of Zaïre, obtained in a spirit of realism and of prospective new openings: BF 4,000 million to be paid in full between the 1st of January 1974 and the 31st of March 1975 (protocol signed in Kinshasa, February 1974).
- Uncertainties of the present economic context which impose great prudence when one considers the future.
- Unfavourable fiscal factor to be foreseen: the probable termination in a rather near future of the fiscal loss due to the writing off of our assets in Zaïre and of the subsequent exemption from taxation on our taxable income since 1967. This will affect in a very marked manner the net profit of the company—all other things being equal.
- Fundamental objective of the company which is bound to assure and consolidate its prosperity: to develop fully into its own as a dynamic mining house of international standing.
- Two-pronged strategy in order to develop the profitability of the company's wealth:
  1. broadening and reinforcement—through the acquisition of substantial interests in enterprises in our own sector—of the network for the national integration of our activities both in Belgium and abroad.
  2. geological prospecting and direct investments in mining in order to rebuild mining activities of our own.
- New investments since January 1967: more than BF 5,600 million up to the end of 1973 (BF 3,646 million in Belgian shares—BF 2,031 million in foreign shares).
- New initiatives and achievements in 1973 corresponding to the goals pursued:
  - CANADA:
    - Thierry deposit: real optimism of the Board about its future:
      - new indications of the characteristics of the deposit and confirmation of the favourable elements of information already in our possession: the mineralisation persists to a depth of 1,600 feet at least;
      - results of assays made on ore in situ generally higher than those collected from surface borehole information.
    - Study of a concentrator with a capacity of 4,000 sh. t. of ore per day, to be built at the mine site.
    - Starting without further delay of the stripping operations for the open pit mine which will constitute the first phase in the exploitation of the deposit.
  - SPAIN:
    - Advanced investigations of the newly established company ASTRUMINERA in the Cordoba region.
  - BELGIUM:
    - Eight drill holes in the Fleurus and Andenne regions.
  - MEXICO:
    - Negotiations underway between Asturiana de Zinc—Union Minière and the Mexican Company Minera La Paz whose object is the establishment of a new Mexican company for the prospecting of a property belonging to Minera La Paz.
    - Other propositions under examination.
  - New projects:
    - Union Minière's activities will extend to South America.
    - BRAZIL: Sending of study missions to the country followed by the establishment in Rio de Janeiro, on May 10, 1974, of a new Union Minière subsidiary with a capital of 10 million cruzeiros (=BF 60 million): "União Mineira e Metalurgia—Unimeta Ltda" in order to create a base there for the future deployment of a great spread of possible activities. These activities are envisaged in liaison with Brazilian partners and perhaps also with other foreign partners, all in perfect agreement with the national authorities in keeping with the rule we always carefully observe.
  - Long-term perspective:
    - Kern interest of Union Minière for the mining and metallurgical processing of polymetallic nodules from the depths of the oceans.

CONCLUSION: Confidence in the future of the company: Tenacity, competent technical teams and powerful financial means: these are assets which constitute for Union Minière the best assurance of its future development.

Copies of the Annual Report and of the statement by the Chairman (in English, French, Dutch, Spanish or Portuguese) can be obtained on request from:  
UNION MINIERE S.A., Public Relations Department, rue de la Chancellerie 1, B-1000 Brussels, Belgium. Tel.: 32/2/5136090. Telex: 21551.



















